

99TH CONGRESS
2D SESSION

S. 2756

To amend title 5 of the United States Code, to ensure privacy, integrity, and verification of data disclosed for computer matching, to establish Data Integrity Boards within Federal agencies, and for other purposes.

IN THE SENATE OF THE UNITED STATES

AUGUST 14 (legislative day, AUGUST 11), 1986

Mr. COHEN (for himself and Mr. LEVIN) introduced the following bill; which was read twice and referred to the Committee on Governmental Affairs

A BILL

To amend title 5 of the United States Code, to ensure privacy, integrity, and verification of data disclosed for computer matching, to establish Data Integrity Boards within Federal agencies, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Computer Matching and
5 Privacy Protection Act of 1986”.

6 **SEC. 2. MATCHING AGREEMENTS.**

7 (a) IN GENERAL.—Subsection (b) of section 552a of
8 title 5, United States Code, is amended—

1 (1) by striking out “or” at the end of paragraph
2 (11),

3 (2) by striking out the period at the end of para-
4 graph (12) and inserting in lieu thereof “; or”, and

5 (3) by adding at the end thereof the following new
6 paragraph:

7 “(13) to a matching agency or a non-Federal
8 matching entity pursuant to a written matching agree-
9 ment under subsection (o) of this section.”.

10 (b) **MATCHING AGREEMENTS.**—Section 552a of title 5,
11 United States Code, is amended—

12 (1) by redesignating subsections (o), (p), and (q) as
13 subsections (p), (q), and (r), respectively, and

14 (2) by inserting after subsection (n) the following
15 new subsection:

16 “(o) **MATCHING AGREEMENTS.**—At least 30 days prior
17 to disclosing any record to a matching agency or non-Federal
18 matching entity for use in a computer matching program or
19 front-end eligibility verification program, a source agency and
20 the matching agency or non-Federal matching entity shall
21 enter into a written agreement specifying—

22 “(1) the justification, purpose, and legal authority
23 for conducting the program;

24 “(2) a description of the records that will be
25 matched, including the data elements that will be used,

1 the number of records that will be matched, and the
2 projected starting and completion dates of the matching
3 program;

4 “(3) that individuals whose records are matched
5 will be notified of such matching program or front-end
6 eligibility verification program and the procedures for
7 providing such notice;

8 “(4) that information produced by matching pro-
9 grams or front-end eligibility verification programs will
10 be verified and the method of such verification;

11 “(5) that records created by such program shall be
12 retained only so long as an investigation, either crimi-
13 nal or administrative, is active, and procedures for de-
14 destroying such records created by the program;

15 “(6) safeguards to ensure administrative, techni-
16 cal, and physical security of the records matched and
17 the results of such programs;

18 “(7) prohibitions on the duplication or redisclosure
19 of records provided by the source agency within or out-
20 side the matching agency or non-Federal matching
21 entity conducting the matching program or front-end
22 eligibility verification program, unless authorized by
23 the source agency;

24 “(8) prohibitions on the extraction or compilation
25 of data on individuals who are not identified as a result

1 of the matching program or front-end eligibility verifi-
2 cation program;

3 “(9) terms and conditions governing the use of the
4 records provided by the source agency for use in a
5 matching program or front-end eligibility verification
6 program, such as procedures governing return to
7 source agency or destruction of records used in such
8 program; and

9 “(10) information on any reliability assessments
10 that have been conducted on the records that will be
11 matched.”.

12 **SEC. 3. NOTICE OF MATCHING PROGRAMS OR FRONT-END**
13 **ELIGIBILITY VERIFICATION PROGRAMS.**

14 (a) NOTICE IN FEDERAL REGISTER.—Subsection (e) of
15 section 552a of title 5, United States Code, is amended—

16 (1) by striking out “and” at the end of paragraph
17 (10),

18 (2) by striking out the period at the end of para-
19 graph (11) and inserting in lieu thereof “; and”, and

20 (3) by adding at the end thereof the following new
21 paragraph:

22 “(12) with respect to any establishment or revi-
23 sion of a matching program or front-end eligibility veri-
24 fication program, at least 30 days prior to conducting

1 such program, publish in the Federal Register notice of
2 such establishment or revision.”.

3 **(b) REPORT TO CONGRESS AND OFFICE OF MANAGE-**
4 **MENT AND BUDGET.—**

5 **(1) IN GENERAL.**—Subsection (p) of section 552a
6 of title 5, United States Code, as redesignated by sec-
7 tion 2(b)(1) of this Act, is amended by striking out
8 “system of records” and inserting in lieu thereof
9 “system of records, matching program, or front-end
10 eligibility verification program”.

11 **(2) CLERICAL AMENDMENT.**—The heading of
12 such subsection (p) is amended by inserting “OR PRO-
13 GRAMS” after “SYSTEMS”.

14 **SEC. 4. DATA INTEGRITY BOARD.**

15 Section 552a of title 5, United States Code, as amended
16 by section 2(b)(1) of this Act, is amended by adding at the
17 end thereof the following new subsection:

18 **“(s)(1) DATA INTEGRITY BOARDS.**—Every agency
19 shall establish a Data Integrity Board to oversee and coordi-
20 nate the agency’s implementation of this section.

21 **“(2) Each Data Integrity Board shall consist of senior**
22 officials designated by the head of the agency, including the
23 senior official responsible for agency administration, the
24 senior official designated under section 3506(b) of title 44,
25 United States Code, and any senior official designated by the

1 head of the agency as responsible for implementation of this
2 section.

3 “(3) Each Data Integrity Board shall perform the fol-
4 lowing functions:

5 “(A) serve as the principal policymaker and over-
6 seer of the agency’s implementation of this section;

7 “(B) develop, review, and coordinate privacy
8 training programs for the agency’s personnel;

9 “(C) review, approve, and maintain all written
10 agreements for disclosure of agency records for match-
11 ing programs or front-end eligibility verification pro-
12 grams to ensure compliance with subsection (o), and all
13 relevant statutes, regulations, and guidelines;

14 “(D) annually review all matching programs and
15 front-end eligibility verification programs in which the
16 agency has participated during the year, either as a
17 source agency or matching agency, to determine com-
18 pliance with applicable laws, regulations, and agency
19 agreements;

20 “(E) annually review all recurring matching pro-
21 grams in which the agency has participated during the
22 year, either as a source agency or matching agency,
23 continued justification for such disclosures, and compli-
24 ance with applicable laws, regulations, and agency
25 agreements;

1 “(F) compile an annual report to the head of the
2 agency, the Office of Management and Budget, and the
3 Congress on the matches in which the agency has par-
4 ticipated as a source agency or matching agency;

5 “(G) receive information on the accuracy and reli-
6 ability of records provided by the source agency for use
7 in matching programs or front-end eligibility verifica-
8 tion programs;

9 “(H) provide interpretation and guidance to
10 agency components and personnel on the requirements
11 of this section; and

12 “(I) review agency recordkeeping and disposal
13 policies and practices to assure compliance with this
14 section.

15 “(4) Each Data Integrity Board shall maintain such
16 staff as necessary to carry out its functions specified by this
17 subsection. Such staff shall include persons designated by the
18 head of the agency as responsible for implementation of this
19 section.”.

20 **SEC. 5. VERIFICATION.**

21 (a) **IN GENERAL.**—Notwithstanding any other provision
22 of law, in order to protect any individual whose records are
23 used in matching programs or front-end eligibility verification
24 programs, no matching agency or non-Federal matching
25 entity may deny, terminate, suspend, or reduce any Federal

1 financial assistance to such individual, or take other adverse
2 action against such individual as a result of information
3 produced by such programs, until such agency or entity has
4 independently verified such information. Such independent
5 verification may be from third-party sources or the individual
6 whose records are matched.

7 (b) INDEPENDENT VERIFICATION.—Independent verifi-
8 cation required by subsection (a) of this section shall relate
9 to—

- 10 (1) the amount of the asset or income involved,
- 11 (2) whether such individual actually has or had
12 access to such asset or income for such individual's
13 own use, and
- 14 (3) the period or periods when the individual actu-
15 ally had such asset or income.

16 (c) OPPORTUNITY TO REFUTE INFORMATION.—Not-
17 withstanding any other provision of law, no matching agency
18 or non-Federal matching entity may deny, terminate, sus-
19 pend, or reduce any Federal financial assistance to any indi-
20 vidual described in subsection (a), or take other adverse
21 action against such individual as a result of information pro-
22 duced by a matching program or a front-end eligibility verifi-
23 cation program, until such agency or entity has provided such
24 individual an opportunity to refute the information produced
25 by such program.

1 (d) NOTICE OF DECISION.—Notwithstanding any other
2 provision of law, in all cases involving denial, reduction, sus-
3 pension, or termination of Federal financial assistance as a
4 result of information produced by a computer matching pro-
5 gram or front-end eligibility verification program, an individ-
6 ual shall be provided with notice of the findings of the match-
7 ing agency or non-Federal matching entity made on the basis
8 of verified information, of the adverse action to be taken, and
9 information on the right to appear and any opportunity for a
10 hearing.

11 (e) SANCTIONS.—Notwithstanding any other provision
12 of law, no source agency may disclose any record or system
13 of records to a matching agency or non-Federal matching
14 entity for a matching program or front-end eligibility verifica-
15 tion program if such source agency has reason to believe that
16 the requirements of this section and any matching agreement
17 entered into pursuant to section 552a(o) of title 5, United
18 States Code, are not being met by such matching agency or
19 entity.

20 (f) DEFINITIONS.—For purposes of this section—

21 (1) The terms “matching program”, “front-end
22 eligibility verification program”, “matching agency”,
23 “non-Federal matching entity”, “record”, and “source
24 agency” shall have the meanings given to such terms
25 by section 552a(a) of title 5, United States Code.

1 (2) The term "Federal financial assistance" means
2 any assistance provided through a Federal grant, loan,
3 or contract of insurance or guaranty.

4 **SEC. 6. DEFINITIONS.**

5 Subsection (a) of section 552a of title 5, United States
6 Code, is amended—

7 (1) by striking out "and" at the end of paragraph
8 (6),

9 (2) by striking out the period at the end of para-
10 graph (7) and inserting in lieu thereof a semicolon, and

11 (3) by adding at the end thereof the following new
12 paragraphs:

13 "(8) the term 'matching program' means any com-
14 puterized comparison of two or more automated sys-
15 tems of records or a system of records with a set of
16 non-Federal records to identify individuals common to
17 two or more of the systems of record or unique to one
18 of the systems of record, but such term does not
19 include—

20 "(A) matches done to produce a statistical
21 record; or

22 "(B) matches performed by an agency in
23 which no records or systems of records are dis-
24 closed to other agencies or non-Federal entities;

1 “(9) the term ‘front-end eligibility verification pro-
2 gram’ means the certification of accuracy of informa-
3 tion supplied by an applicant for Federal financial as-
4 sistance (as defined in section 5(e)(2) of the Computer
5 Matching and Privacy Protection Act of 1986) by
6 matching such information against a computerized data
7 base;

8 “(10) the term ‘matching agency’ means any
9 agency performing a matching program;

10 “(11) the term ‘source agency’ means the agency
11 which discloses records from a system of records to be
12 used in a matching program or a front-end eligibility
13 verification program; and

14 “(12) the term ‘non-Federal matching entity’
15 means any State or local government, or agency there-
16 of, which acts as a matching or source agency for
17 matching programs or front-end eligibility verification
18 programs involving Federal Government data.”.

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